



IOWA GENERAL ASSEMBLY
LEGISLATIVE SERVICES AGENCY

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MEMORANDUM

TO: Legislative Fiscal Committee

FROM: Dave Reynolds

DATE: April 26, 2005

RE: Department of Corrections Lease Purchase Notification

The Department of Corrections has submitted a lease purchase notification for upgrades to the Security Control System at the North Central Correctional Facility in Rockwell City.

The total estimated cost of the agreement is \$168,000, which includes \$150,000 in principal and \$18,000 in interest. The agreement will be for a period of five years at an interest rate of 4.42%. The annual debt service payments are estimated to total \$33,600 and will be paid from the North Central Correctional Facility's General Fund appropriation.

Additional information concerning the lease purchase is provided on the attachment. If you have any questions, do not hesitate to contact me at (515) 281-6934.

DIVISIONS

LEGAL SERVICES
RICHARD L. JOHNSON

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FISCAL SERVICES
HOLLY M. LYONS

•

COMPUTER SERVICES
GLEN P. DICKINSON

•

ADMINISTRATIVE SERVICES
TIMOTHY C. FALLER

FISCAL SERVICES

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LEASE-PURCHASE PRIOR NOTIFICATION

(FOR PURCHASES OF \$50,000 OR MORE)

For Reporting Requirements per Section 8.46, Code of IowaAgency Name:
**Iowa Department of Corrections -
North Central Correctional Facility**Budget Unit/ Fund Name:
General FundBudget Unit/ Fund No.:
247 - 0001**ACQUISITION INFORMATION**

Description of Acquisition:

This project would update the door, cell and gate control security system at the Control Center, D Control Center, and lockup area. The project would move our security system in these areas from outdated toggle switches to touch screen technology. This proposal would also integrate the intercom system in the D lockup cells to the new security system, install a new digital recording system and redesign the layout of the D Control Center.

Type of Acquisition
☐ New ☒ **X Replacement**
☐ ContinuationDuration of Contract
(Mo/Yr)
Start: **May 2005**
End: **May 2010**Contract Type:
OtherEstimated Useful Life:
20 Years

Funding Sources

\$

Estimated Cost if Purchased Outright: **\$150,000.00**

General Fund

\$ 168,008.91

Federal

\$

Principal:
\$150,000.00

Revolving Fund

\$

Road Use Tax

\$

Finance Charge:
\$ 18,008.91

Other (Specify)

\$

Total

\$ 168,008.91Interest Rate:
4.420%**CASH FLOW**

	FY_2006_	FY_2007_	FY_2008_	FY_2009_	FY_2010_	Total Cost
Principal	\$27,422.15	\$28,654.44	\$29,942.11	\$31,287.65	\$32,693.65	\$150,000.00
Interest	\$6,179.64	\$4,947.35	\$3,659.67	\$2,314.13	\$908.12	\$18,008.91
Total	\$33,601.79	\$33,601.79	\$33,601.78	\$33,601.78	\$33,601.77	\$168,008.91

JUSTIFICATION/CONSEQUENCES OF DELAY OR ABANDONMENT

The current toggle control system for the doors is old and is no longer serviced by a vendor. Parts can only be obtained from current inventories and there is no guarantee that parts will be available in the future. If the system fails and is not replaced, all automation of the sallyport gates and lockup doors would end. All opening and closing of gates and doors would have to be done manually by a correctional staff member. This would increase staffing in a number of areas, control center, industry area, D Control Center and lockup.

Contact Person:
Doug WilliamsTitle:
Business ManagerPhone Number: **712-297-9307**Date: **4/22/05**